

August 25, 2026

Comprehensive Child Welfare Information System Update

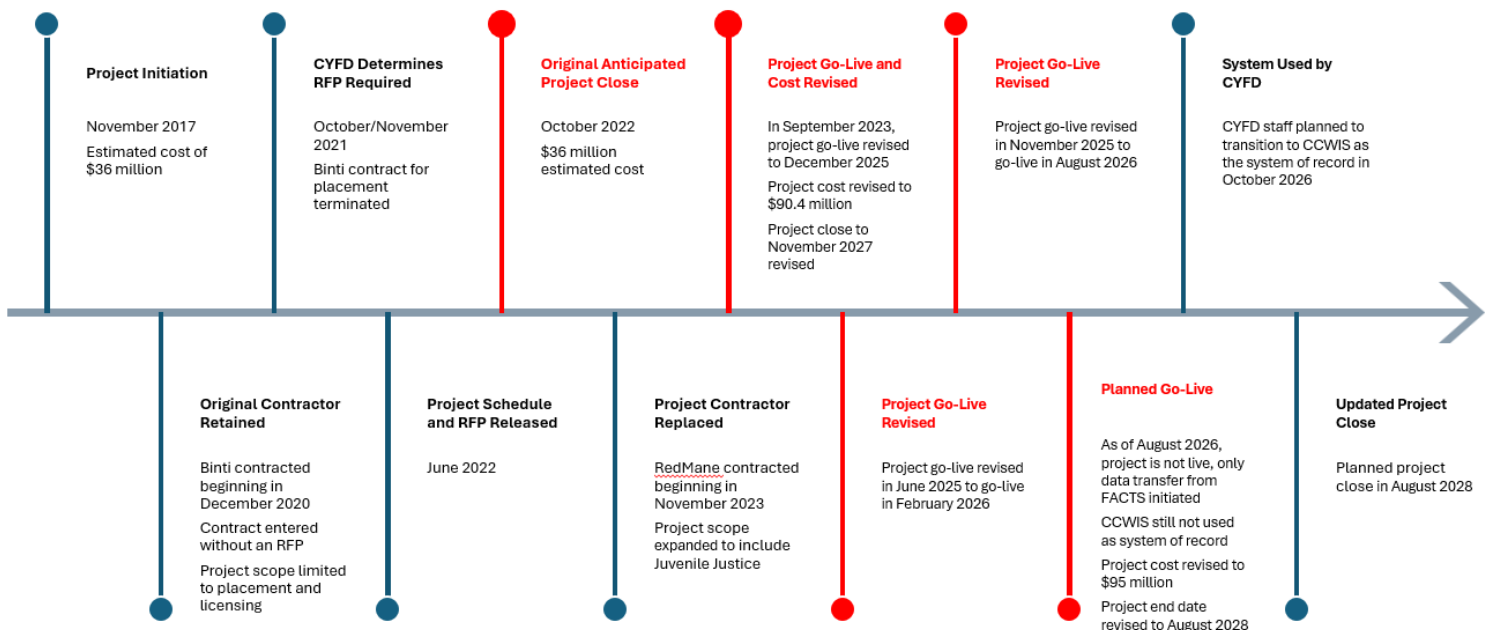
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Project Overview

- Since November 2017, the Children, Youth and Families Department (CYFD) has pursued a new comprehensive child welfare information system (CCWIS) to replace the agency's nearly 30-year-old legacy Family Automated Client Tracking System (FACTS). The system, required pursuant to 2016 federal rule changes, will service CYFD's Protective Services, Children's Behavioral Health, and Juvenile Justice Services programs.
- Initially the project had an estimated end date of October 2022 and was estimated to cost \$36 million. Several increases in project scope, timeline, and cost have occurred since 2017. CYFD's most recent estimates for the CCWIS system reflect a cost of \$95.4 million and project end date of August 2028 (see appendix for detailed funding history).
- Compared to the project as originally proposed, the latest estimates from CYFD reflect a 165 percent cost increase and a new project timeline of over a decade, six years after the initial estimated end date.
- A high-level timeline of critical dates and costs related to the project is below:



Project Status

- Since the project started in 2017, CYFD has revised implementation plans, project cost, and project deadlines repeatedly. The agency has experienced a loss of critical project staff and undergone various leadership changes and project vendors during this time, contributing to project delays and cost inflation.
- CCWIS has received more general fund revenue (\$46.3 million) than any other state agency IT project despite having the third highest total expected cost across all state agencies' IT projects. The total federal blended rate of approximately 66 percent for CCWIS across the federal Administration on Children and Families' (ACF) Title IV-E and Medicaid is about 25 percentage points lower than that for the Health Care Authority's \$430 million Medicaid replacement project that started in 2013, which has received \$42.7 million in general fund revenue.
- After repeated project challenges, cost escalations, and delays, the Department of Information Technology (DoIT) became the oversight entity for CCWIS starting in mid-2026.
- Since 2024, the project has been split into three phases; Phase I is designated as planning, Phase II is when the system will be functional, or "go-live" and act as CYFD's system of record, and Phase III will include additional system enhancements and modifications.
- LFC and CYFD have been meeting monthly on CCWIS since November 2023. LFC last received a CCWIS demonstration in December 2025. During system demonstrations, LFC staff have noted the lack of CCWIS functionality to include multi-level response, a statutory requirement created in 2019. Multi-level response provides an alternative response route for referrals to child protective services that would otherwise be addressed through a traditional investigation. Through the Government Results and Opportunity (GRO) fund, the Legislature appropriated a total \$4.2 million for CYFD to implement multi-level response as a pilot from FY25 through FY27. CYFD did not spend its FY25 GRO appropriation for multi-level response, and in early 2026 began piloting the program in two counties. LFC staff remained concerned about the CCWIS capabilities for tracking multi-level response.
- CYFD repeatedly delayed the Phase II "go-live date" from October 2022, to December 2025, then February 2026, and now August 2026. Although DoIT and CYFD report that the system "went live" on August 17, 2026, the previous system, FACTS, remains CYFD's day-to-day IT and its system of record. CYFD staff will not be able to use the system until October 2026 at the earliest under the agencies' new "smart adoption" approach.
- Under the "smart adoption" approach, only legacy FACTS data will be transferred into the new CCWIS system during the August go-live, with some data potentially not transferred until late August or early September. The system therefore will not be ready for staff use for nearly two months after its publicized go-live date. User-acceptance testing and staff training will not start until late September into early October, underscoring the system's delayed implementation. CYFD staff continue to work overtime to meet project deadlines, funded through the project's nonrecurring appropriations.
- Given the project's continued delay, ongoing user-acceptance testing, and staff training, LFC staff are concerned that even with the shift to the "smart adoption" of CCWIS, the project may not be functional for CYFD use in October as planned and may be further delayed.
- Items that were planned to be functional in the new CCWIS through the Phase II go-live include:

CYFD Impacted Department	Intended Outcome	Available in New CCWIS by August 17th Go-Live?
Juvenile Justice and Protective Services	Keeping safety plans up to date for each youth in the system	No

Juvenile Justice	Alerting staff if a juvenile justice referral hasn't been processed within 30 days.	No
Protective Services	Making sure youth getting transition services still qualify and warning when they're about to age out	No
Juvenile Justice and Protective Services	Recording official assessments, like Title IV-E level of care	No
Juvenile Justice and Protective Services	Attaching all needed legal documents for hearing records (e.g. release agreements, violation reports) and being able to share reports with others	No
Juvenile Justice	Creating case records for youth in detention or reintegration centers and assigning staff for cases	No
Protective Services	A mobile app for caseworkers to access the system while out in the field and record real-time data, such as photos and testimonies	No

- As of June 2026, ACF states that CCWIS projects have run for six years on average, with 75 percent of projects nationwide still not fully operational after eight years of implementation. CCWIS in New Mexico has been in implementation for nine years. ACF notes technological requirements, organization readiness, reliance on transitional systems, and state staff capacity have generally affected CCWIS project progress nationwide. As of February 2026, the median claim amount from ACF for CCWIS projects is \$27.4 million for transitional systems, compared to New Mexico's \$23.8 million in anticipated ACF claims. Idaho and Arizona are the first and only two states to have complete CCWIS systems which took four years and six years to complete, respectively.
- The current effort marks CYFD's second attempt at a FACTS replacement, the first effort called EPICS was largely unsuccessful.

FY28 Budget Preview

- CYFD has submitted a drafted request for an additional \$2 million in general fund revenue for the project, which would bring an estimated \$3.8 million in federal funds in FY28. The department indicated that its \$6 million FY27 general fund revenue request alongside the federal match would allow the department to complete the project. The LFC did not include the appropriation in its FY27 budget recommendation due to significant balances in prior year appropriations. The Legislature provided \$8 million in general fund revenue to CYFD in the 2026 Senate Bill 273 (Laws 2026, Chapter 70), \$2 million more than what CYFD requested. The associated federal match for FY27 is \$10.8 million from ACF and Medicaid, bringing the amount available in FY27 to \$18.8 million, contingent on federal approval.
- In the 2026 General Appropriation Act, CYFD had three reauthorizations for CCWIS appropriations dating back as early as 2020. As of August 2026, CYFD has an estimated balance of \$33 million in prior year appropriations, including FY27 state and federal funds.

- CYFD estimated a recurring maintenance and operational cost of \$2.5 million starting in FY28. The Legislature should be cautious at increasing CYFD's operational costs to cover recurring system maintenance pending when CCWIS goes live. Once CYFD implements a federally compliant CCWIS, ACF will provide a 50 percent match for ongoing maintenance.

Appendix

CYFD Budget History

(in thousands)

				ACTUAL FEDERAL REIMBURSEMENTS	
		STATE FUNDING (GAA)	FEDERAL BUDGET AUTHORITY (GAA)*	Center for Medicaid and Medicare Services	Administration on Children and Families
FY19	Laws 2018, Chapter 73, Section 7(27)	\$500.0	\$500.0	\$0.0	\$0.0
FY20	Laws 2019, Chapter 271, Section 7(28)	\$5,500.0	\$1,520.5	\$147.1**	\$0.0
FY21	Laws 2020, Chapter 83, Section 7(37)	\$7,000.0	\$10,900.0	\$1,932.2	\$3,553.1
FY22	Laws 2021, Chapter 137, Section 7(33)	\$3,523.7	\$17,095.9	\$1,214.4	\$1,715.9
FY24	Laws 2023, Chapter 210, Section 7(38)	\$18,439.4	\$11,044.6	\$11,104.8	\$13,639.0
FY25	CYFD did not request new funding for FY25.	-	-	-	-
FY26	Laws 2025, Chapter 169, Section 7(31)	\$3,400.0	\$5,600.4	\$2,475.5	\$3,125.0
FY27	Laws 2026, Chapter 70, Section 2 B. (1)	\$8,000.0	\$10,829.5***	\$2,259.6***	\$1,790.0***
	Totals	\$46,363.1	\$57,490.9	\$19,133.60	\$23,823.00
				\$42,956.60	

*Federal budget authority includes amounts listed in the General Appropriation Act (GAA) as federal funding. Actual reimbursements may differ from the amount budgeted in the GAA each year.

** Amount received from CMS in FY20 has since expired.

***Laws 2026, Chapter 70, did not provide the federal match in the appropriation bill. Based on the federal match rate, there is an anticipated \$10.8 million federal match; however, federal partners have only approved the use of \$4.4 million as of July 2026.

**** Highlighted rows indicated that these appropriations were reauthorized in the 2026 GAA for expenditure through FY27.